

**Comprehensive Housing Strategy
Task Force
Executive Summary Public Comment
Briefing Book**

September 2005

Background:

The Comprehensive Housing Strategy Task Force has been working over the past fourteen months to develop recommendations for an implementable housing strategy that would attract 100,000 new residents, create sustainable culturally, and economically diverse neighborhoods, and otherwise address housing needs in the District. The Task Force has produced an executive summary of their top line recommendations and will host public meetings to receive public comment. The top line recommendations include:

- Increase the supply of housing by 55,000 units by 2020 in order to accommodate an increase of 100,000 in the city's population.
- The District should use federal programs and its own resources to ensure that at least a third of the 55,000 new units are affordable.
- Implement a balanced growth policy to ensure that new units are distributed throughout all Wards.
- Accelerate the District's efforts to preserve and produce quality affordable housing for both owners and renters.
- Increase its homeownership rate from 41 percent to 44 percent.
- Establish a local rent subsidy program tied to the production of new units in order to cover the operating cost of units affordable to extremely low income households.
- Revive and strengthen an emergency assistance program, at least for rent, mortgage and/or utilities expenses for very low income families.
- Preserve all existing units assisted with project-based Section 8.
- Increase the portion of the deed recordation tax dedicated to the Housing Production Trust Fund from 15 percent to 20 percent.
- Restore the deed recordation tax to 1.5% (the Council recently dropped the tax to 1.1%) and dedicate the proceeds from the 0.4% increment to the Housing Production Trust Fund.

- Earmark a small percentage (perhaps 5%) of the increase in real property tax revenue (residential real estate) over a base year for the Housing Production Trust Fund.
- Require a direct linkage fee for some types of commercial-residential development to the Housing Production Trust Fund.
- Increase the supply and affordability of housing for persons with special needs—including homeless people, seniors, people with physical disabilities, people living with HIV-AIDS, people with mental illness, adults reentering from correctional facilities, and youth being discharged from foster care and from the juvenile justice system—and integrate them into all types of housing in neighborhoods throughout the city.
- Streamline and improve regulatory processes at DCRA to improve development.
- Appoint a “Housing Czar” to coordinate and manage housing-related activities city-wide.

After the public comment period, the Task Force expects to review and incorporate the responses into a final draft for publication in November 2005.

Upcoming Public Meeting Schedule:

Tuesday, September 13, 2005	6-8:30 pm.	Howard University, Crampton Auditorium
Thursday, September 15, 2005	6-8:30 pm	University of the District Of Columbia Auditorium
Saturday, September 17, 2005	10-12:30 pm	Thurgood Marshall Academy Auditorium

Comprehensive Housing Strategy Task Force Members

First Name	Last Name	Title	Company Name
Bob	Youngentob	President	Eakin/Youngentob Associates
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Stan	Slotter	CEO	Paradigm Development Corporation
Chris	Smith	CEO	William C. Smith & Company
Neil	Albert	Deputy Mayor	Children, Youth, Families and Elders
Stanley	Jackson	Deputy Mayor	Planning and Economic Development
Anthony	Freeman	Acting President & CEO	National Capital Revitalization Corporation
Michael	Kelly	Executive Director	District of Columbia Housing Authority
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Robert	Egger	President & Founder	DC Central Kitchen
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Skip	McKoy	President & CEO	DC Agenda
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Loretta	Tate	Former President & CEO	Marshall Heights Community Development Organization
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Ellen	McCarthy	Acting Director	DC Office of Planning
Yvonne	Clary	Resident	DCHA

***Homes for an Inclusive City:
A Comprehensive Housing Strategy for Washington, D. C.***

EXECUTIVE SUMMARY

Preamble

Mayor Anthony A. Williams and the Council of the District of Columbia established the Comprehensive Housing Strategy Task Force to recommend public policies to meet the housing needs of both the current District residents as well as an additional 100,000 residents. *Homes for an Inclusive City: A Comprehensive Housing Strategy for Washington, D. C.*, the final report of the Comprehensive Housing Strategy Task Force, will lay out a ten-year blueprint of the goals, methods, schedule, and estimated public and private funds for improving the housing of District residents and ensuring better access to affordable housing. This draft executive summary of the final report presents for public discussion, the main findings and recommendations of the Comprehensive Housing Strategy Task Force. The final report will reflect this input from District citizens.

Introduction

Today a booming demand for homes in Washington, D. C., is creating both a crisis and an opportunity for the city.

The housing boom has triggered a crisis of affordability. As demand outruns supply, house prices and apartment rents are rising above what many Washingtonians can afford. The prices of homes are soaring ever further out of the reach of the city's low-income residents, making it even more difficult for them to move up to the middle class. Meanwhile, the federal government has exacerbated their plight by retreating from subsidizing low-income housing. The rising expense of Washington homes, moreover, is hitting working- and middle-class families, who are forced to leave the city and move further from their jobs to find more affordable housing options. In previous decades the District of Columbia lost many middle-class residents and now is in danger of losing the rest. At the same time, the affordability crisis is widening the gap between the income and racial groups and worsening the tensions between them.

Yet the same booming housing market that precipitated an affordability crisis also offers an opportunity to transform Washington into a vibrant, inclusive city. The District of Columbia's residents, businesspeople, and governmental leaders conceived the idea of the inclusive city in *A Vision for Growing an Inclusive City*, the framework for the Washington, D. C. Comprehensive Plan Update. These Washingtonians envisioned changing their hometown from a place divided by race, wealth, and geography into a tolerant community where people of all incomes, races, and cultures enjoy the benefits of urban living and economic opportunity.

We believe that by strategically developing and preserving housing, Washington's people and government can create an inclusive city of mixed-income and mixed-race neighborhoods in across the city—not just in select areas—and increase the population by 100,000 residents during the next ten years. New mixed-income communities will

benefit all our citizens. A strengthened tax base will finance outstanding education, health care, and other services that especially help our lowest-income residents. Mixed-income neighborhoods will also offer the opportunities that encourage economic mobility among the lowest-income residents.

The boom market in housing offers a way to transform the District of Columbia into an inclusive city. By raising real-estate values, incomes, and sales, the housing boom pours new tax revenues into the city's coffers. The city's government can employ part of these revenues to expand the city's supply of high-quality housing, increase and preserve homes affordable to low-income households, working families, and those with special needs. The new home construction and renovation that has recently revitalized many of Washington's neighborhoods can now be extended to places not yet touched by the revival.

The task force believes that a growing middle class is the key to the city's future vitality. While the city must use part of its new resources to improve housing conditions for the lowest income groups, whose needs are most desperate, it must also make a major effort to enable middle income working people to find and retain housing they can afford. Without these efforts Washington will increasingly be a divided city, which is home only to the affluent and the poor.

Ensuring high-quality dwellings for people of all incomes, however, is only part of what we need to do to build strong mixed-income neighborhoods. To attract and retain residents, the streets must be safe. All communities must have excellent schools and well-maintained parks. The neighborhoods also need more retail stores and restaurants to provide our residents with convenient shopping and dining and to recapture sales now lost to neighboring jurisdictions.

While the goal is to achieve stable, mixed income neighborhoods throughout the city, different neighborhoods will require different policies and tools to achieve it. Accordingly, the city government should reinvigorate its practice of classifying

neighborhoods using key socio-economic indicators and use this system to implement key recommendations of this report. Cities across the country have learned that a “one size fits all” approach to neighborhood development does not work. This report gives the District government a large tool box with which to realize its vision of an inclusive city.

We can solve the housing crisis and seize the opportunity to transform Washington at the same time. The foundation for this effort, we believe, is to ensure that the city offers in every part of the city high-quality homes at a range of costs that residents can afford. But time is short—the housing boom and the revenues it offers will not last forever. The government of the District of Columbia must act quickly. We must not squander this chance to create an inclusive city!

Recommendations

Recommendation 1: The government of the District of Columbia should adopt a plan to implement its “Vision for Growing an Inclusive City” by increasing residential development throughout the District.

The Comprehensive Housing Strategy Task Force endorses the mayor’s goal of increasing the population by 100,000. As recently as 1970, the population of the District of Columbia was 756,000, but by 2000 net out-migration, especially of moderate-income families with children, reduced the population to 572,000. We believe that raising the city’s population to 672,000 by 2020 is an ambitious but achievable objective.

Washington, D.C., is at the core of a rapidly growing and thriving region. In order to reach its goal, the city need only retain one in every ten of all expected new arrivals to the area and replace those who depart the city. This target seems eminently reachable, especially given that a significant number of people are moving back to the central city both here and in other strong-market cities.

Increasing the population will make the District of Columbia more prosperous. It will add to the number of jobs available to Washingtonians. It will enhance the tax base so that more revenue is available to improve public services. Growth will also make neighborhood businesses more profitable by increasing the numbers of customers. Adding diverse types of housing units will expand the housing choices for existing residents and offer more opportunities for affordable housing throughout the city.

1.1 The District of Columbia should increase the supply of housing by at least 55,000 units to accommodate a growth in population of 100,000.

The capital must increase the stock of assisted and market-rate housing by working collaboratively with developers, builders, non-profits, and financial institutions. This will have a direct impact on the physical and social fabric of the city. Residential use represents the vast majority of land use in the city and drives the development of related

uses, such as retail, recreation, and civic amenities. Adding to the stock of housing will affect the overall growth of the city and the character, design, and quality of its neighborhoods. It will also improve the District's fiscal health, support regional "smart growth" goals, sustain local small businesses and retailers, and restore vibrant communities in areas that are now struggling to succeed.

The task force estimates that a net increase of 55,000 units will be needed to house the addition of 100,000 residents. This estimate assumes that average household size, which dropped in recent decades, will stabilize at 2.12 persons per household and is based on a decrease in the rate of out-migration by families with children. If household size continues to drop, a larger net increase in units would be needed to house the growth in population.

To succeed in increasing the housing stock by 55,000 units, the District of Columbia government must move quickly to develop proposed "new neighborhoods" along the Anacostia waterfront and on other large publicly and privately owned sites. According to the Office of Planning's most recent estimates, 12,000 units of new housing could be developed on large publicly owned sites like the St. Elizabeth's East Campus and Poplar Point. The potential for as many as 20,000 more units has been identified on vacant and underutilized sites, primarily downtown, near Metrorail stations and along major corridors across the city.

1.2 The location of new production envisioned by the task force should support a balanced growth policy, which will allow increases in population density.

Achieving the proposed goal of 55,000 new assisted and market-rate residential units by 2020 will necessitate more development and increased population density in many neighborhoods. This goal, consistent with "A Vision for Growing an Inclusive City," requires that growth be concentrated along major corridors and "main streets" as well as

in areas appropriate for transit-oriented development and in the city's proposed "new neighborhoods" and "new communities."

The largest opportunity for development lies in the eastern half of the city. In the past, the majority of market-rate residential development and development in general has been concentrated in the western half of the city. As a result, Washington has experienced imbalanced economic and physical growth; poverty, unemployment, and low educational attainment remain concentrated in the eastern half of the city. Looking towards the future, the city government should make sure its policy and planning decisions address this imbalance. Specific tools for increasing balanced development:

- Modifying current zoning to allow development of affordable and mix income housing, especially on public lots that are currently abandoned or under utilized.
- Lifting or modifying zoning restrictions that limit development of accessory apartments, granny flats, Single Room Occupancy, and co-housing facilities
- Rezoning commercially-zoned land to residential, particularly along long commercial "strips" with high vacancy rates and patterns of disinvestment.
- Consider offering density bonuses for affordable housing which would increase capacity without large-scale rezoning.
- Granting density bonuses at transit stops, which will not only increase the number of residential units but also promote the use of public transportation
- Permitting increased density along major corridors where there is opportunity for mixed-use development and where such development would strengthen and provide economic opportunity for adjacent neighborhoods

1.3 Both assisted and market-rate housing produced in the District of Columbia should adhere to high architectural and urban design standards, providing housing with amenities and access to transportation for all neighborhood residents.

Agencies involved in the city's housing delivery system should focus not only on the amount of assisted housing produced and preserved, but the quality of the living environment that is created. The measure of quality should include high-grade

construction materials, provision of open space, recreational amenities, safe access to public transportation, neighborhood schools, neighborhood retail options, and respect for neighborhood history and context.

Recommendation 2: The government of Washington, D. C., should accelerate its efforts to preserve and increase high-quality affordable housing for both owners and renters.

The District of Columbia should channel part of the new revenues created by the strong housing market into a variety of programs that will provide homes that families and individuals of low to moderate incomes can afford. Such new development also offers the opportunity to deconcentrate poverty and create mixed-income neighborhoods.

Various programs (and amounts of subsidy) are needed to make housing affordable at different income levels. Therefore, we focus on four income ranges, all of which are defined relative to the median income for a family of four in the Washington, D.C., metropolitan area (AMI).¹ It is important to note that all four of these income ranges include working families (although the lowest ranges also include families and individuals with little or no earnings, some of whom receive welfare or social security benefits). Therefore, we provide examples of occupations that generate annual earnings within each of our income ranges (assuming a family of four):

HUD Definitions based on Metropolitan Area Incomes	Household Income Level	Annual Household Income	Example Employment by Income Level
Extremely low-income	Below 30% of area median income	\$0 - \$26,790	Full-time parking lot attendant or food preparation worker

¹ This “area median income” (AMI) is used by the Department of Housing and Urban Development to establish eligibility for various federal housing assistance programs.

Very low-income	30% to 60% of area median income	\$26,790 - \$53,580	Full-time bookkeeper or firefighter; a full-time parking lot attendant plus a full-time food preparation worker
Low-income	60% to 80% of area median income	\$53,580 - \$71,440	Full-time nurse or librarian; a full-time firefighter plus a full-time receptionist
Moderate-income	80% to 120% of area median income	\$71,440 - \$107,160	Full-time computer system manager; a full-time nurse plus a full-time book-keeper

2.1 *The city government should use federal programs and its own resources to ensure that at least a third of the new units built in the city are affordable on a long-term basis.*

A portion of the anticipated newly constructed 55,000 units in the city should be used to increase the number of affordable units. Although about two-thirds of these units are expected to be market rate, the other third should be subsidized to ensure they are affordable to low- and moderate-income residents of the District of Columbia. The subsidized units should therefore include workforce housing available to teachers, police, firefighters, and other public servants, as well as well as more deeply subsidized units available to extremely low- and very low-income households.

The task force believes that the subsidized units should be allocated roughly as follows:

- 7,600 units should be affordable to households with annual income of less than \$26,790 per year (30% of AMI)
- 5,700 units affordable for households with annual incomes between \$26,790 and \$53,580 (30-60% of AMI)
- 5,700 units of “workforce housing” affordable to households with annual incomes between \$53,580 and \$107,160 (60-120 percent of AMI)

- About 4,400 of the net new units should be accessible to people with disabilities. Housing for people with special needs should be integrated into neighborhoods throughout the city.

Building this large number of affordable housing units in the city will require skillful mobilization of funding from multiple sources and a variety of tools. The government of Washington, D. C., should use all the federal housing program funds for which it is eligible as quickly and efficiently as possible. It should supplement the federal funding from its own sources, increasing these by channeling additional revenues into the Housing Production Trust Fund. Over the long term, the city government should increase its monitoring of subsidized units to ensure that owners are complying with the long-term affordability requirements that accompany certain types of local and federal funding. The city government should also enter into partnerships with private and non-profit developers so that public, private, and charitable funding can be used jointly to maximize the creation of affordable housing units. Other tools that should be used to expand affordable housing opportunities include:

- Establishing a mandatory inclusionary zoning requirement for newly constructed and substantially rehabilitated housing as soon as possible
- Supporting the formation of one or more community land trusts run by public, non-profit, or other community-based entities, whose mission would be to acquire land and hold it long term while providing long-term leases to developers of housing for both rental and for-sale units
- Encouraging the National Capital Revitalization Corporation (NCRC) land banking activity, as well as the creation of a privately managed land bank, all with the objective of targeting acquisitions to areas with high public investments or escalating property values to capture created value and promote housing affordability
- Augmenting existing acquisition-predevelopment funds to help nonprofit and for-profit developers more quickly build housing and complementary commercial or retail services at greater scale in targeted lower-income neighborhoods

- Creating tax incentives, reducing fees for obtaining public services (PEPCO, WASA, WASH-Gas) and building permits for nonprofit and for profit developers of affordable housing.

2.2 *The District of Columbia government should strive to increase the city's homeownership rate to 44 percent.*

The task force believes that homeownership gives people a stake in the community and a chance to participate in its growing prosperity. The city's homeowner rate is about 41 percent, and the task force believes that over time a special effort to encourage homeownership in mixed-income areas could push the rate to 44 percent. Special efforts should be made to encourage city workers, police, firefighters, and teachers to become homeowners in the capital. Programs should target working families with incomes in the 50-120 percent of AMI range. Policies that will increase the rate of homeownership should include:

- Strengthening the city government's existing Employer Assisted Housing (EAH) program that provides down payment and closing cost assistance to city government workers; increasing the amount of EAH awards and removing limitations on qualifying workers combining Home Purchase Assistance Program and EAH assistance. The government should also encourage private employers to develop EAH programs as a part of their workers' benefits package by providing grants, forgivable loans, and onsite homeownership seminars to encourage workers to live where they work. The city government should work with the National Capital Planning Commission to determine whether a federal EAH pilot can be devised for the District of Columbia to assist income-eligible federal workers located in the city.
- Implementing the 2002 city ordinance that provides a tax credit for low-income, long-term homeowners to help them maintain their homes.
- Investing in programs that support Individual Development Accounts that assist low-income persons to save for first-time home purchases.

- Revising the disposition strategy of the Home Again Initiative to focus on creating affordable homeownership units in strong-market areas and market-rate homeownership in weak-market areas.
- Encouraging neighborhood housing services programs. Improving and targeting homeownership financing, counseling, and other resources to very low-, low-, and moderate-income homeowners. District funding for these activities should be increased, while improving oversight and management.
- Examining the feasibility of matching the Federal first-time homebuyer tax credit with a District of Columbia tax credit for home-buyers in distressed or emerging neighborhoods.
- Creating a local historic tax credit program to help low-income homeowners in historic districts repair and maintain their homes.
- Increasing assistance to tenants seeking to purchase their units. The city should review the experience of the Tenant Purchase program in preserving affordable housing for existing residents and enhance current means of providing technical, financial, legal, organizing, and language assistance to tenants in exercising purchase rights. The process would be improved through dialogue among tenants, landlords, developers, city officials, tenant counseling services, and other interested parties. We commend the mayor and city council for authorizing a task force that will balance the interests of tenants, owners, and developers and make recommendations for improvement.
- Ensure that non English speaking tenants and homeowners have access to all programs dedicated to increase homeownership and tenant assistance by providing application forms and information documents in languages such as Spanish, Chinese and Korean.

2.3 Washington's government should increase its efforts to assist low-income renters.

In addition to increasing the production of new affordable units and preserving existing affordable housing, the District of Columbia government should subsidize the rents of residents with an unaffordable housing burden. The existing programs that subsidize rents are federally funded and include public housing, Project-based Section 8 housing,

and the Housing Choice Voucher Program. After 2006, should current trends continue, the District of Columbia Housing Authority (DCHA) projects deficits in the program that will require cut backs in support for vouchers of more than 250 households per year. The city should continue its support of the HCVP in order to preserve rent subsidies for 10,000 households.

In addition, several new initiatives, underway or being considered, could provide housing to some residents with severe housing burdens. Local rent subsidy should be provided for the following:

- An effort by DCHA to utilize its authority to create 1,000 additional units of public housing, subsidized by funding from HUD under the public housing Annual Contributions Contract (ACC). A local rent subsidy tied to these units (project-based) is needed to supplement the ACC funding in covering the operating costs of the units.
- The mayor's "Homeless No More" initiative that would develop and/or subsidize 2,000 new units of affordable, supportive permanent housing and 4,000 units affordable to people earning below 20% of AMI. A local rent subsidy either tied to the production of units or to leased units is needed in order to cover the operating costs of units under this initiative.
- A local rent subsidy tied to the production of new units is needed in order to cover the operating cost of the proposed goal to produce 7,627 new units targeted at meeting the needs of households at or below 30 percent of AMI.
- Revival/strengthening of an emergency assistance program, at least for rent, mortgage, and/or utilities expenses for very low-income families.

The fundamental problem of the city's lowest income population is just that: low-income. The city should focus greatly increased attention on raising the incomes of residents through education, training, and job placement programs. The city should also consider increasing its minimum wage and instituting a living-wage requirement.

2.4. The government must give priority to preserving existing affordable units.

More than 50 percent of existing housing units in the District of Columbia are rental units. Renters are more likely than homeowners to experience severe housing-cost burden, meaning that they spend over 50% of the household income on housing. Therefore the city must have a strategy specifically targeted at maintaining that housing stock and keeping a portion of it affordable to low income renters. Preserving existing affordable housing is usually much less costly than producing new affordable housing, particularly if the current owner agrees to maintain affordability. Therefore, the District of Columbia government should seek to:

- Preserve all existing units assisted with project-based Section 8 and other federal programs by working with HUD to extend these subsidies and improve troubled properties, using its own resources to augment these efforts as needed.
 - The District of Columbia should ask HUD and the Congress to institute a moratorium on project-based Section 8 contract terminations.
 - The District of Columbia should consider legislation that would give it the right to purchase assisted, multifamily properties (and maintain operating subsidies) where contracts are being terminated by HUD or where owners are choosing to opt out of contracts.
 - The District of Columbia should implement the program enacted in 2002 that abates the increment in real property taxes for project-based Section 8 facilities and give consideration to extending the abatement to full property tax relief.
- Create a program that provides owners of existing rental housing low-cost financing or other incentives to upgrade their units and maintain affordability of those units long term.
- Provide increased levels of subsidy to tenants or their partners who wish to create or preserve affordability and improve existing rental properties that are put up for sale or converted to condominiums.
- Support the efforts of affordable housing developers who wish to acquire and renovate existing buildings to preserve or provide new affordable housing by

making increased levels of subsidy available for pre-development, acquisition, and rehab.

2.5 The city should undertake a multi-year, mixed media, public service announcement campaign focused on the housing affordability challenge with the objective of providing a strong case in support of the social and economic advantages of a progressive and inclusive housing plan for the District.

2.6 The District government should review existing grant and loan requirements and procedures tied to the Housing Production Trust Fund to ensure that the current funds are utilized efficiently and effectively.

2.7. The city should identify and tap new sources of revenue for the Housing Production Trust Fund to support subsidies needed to keep rental and owned housing affordable.

The task force believes that the city should seize the opportunity created by the currently strong real-estate market to channel more resources into the Housing Production Trust Fund to pay for the affordable housing initiatives proposed in this report. Specifically:

- **[Alternative]** Increase the portion of the deed recordation tax dedicated to the Trust Fund from 15 percent to 20 percent.
- **[Alternative]** Restore the level of the deed recordation tax to 1.5 percent (the level from which Council recently dropped it to 1.1 percent) and dedicate the entire proceeds from the 0.4 percent increment to the Housing Production Trust Fund (an increase of approximately \$150 million in 2005).
- **[Alternative]** Earmark a small percentage (perhaps 5 percent) of the increase in revenue from residential real-estate taxes over a base year for the Housing Production Trust Fund.
- Require a direct linkage fee for some types of commercial-residential development to the Housing Production Trust Fund.

- Require commercial developers granted planned-unit development (PUD) zoning to contribute a fee to the Housing Production Trust Fund to fulfill their affordable housing requirement.

Recommendation 3: The government of the District of Columbia should direct public and private funds toward developing attractive mixed-income neighborhoods in all parts of the city and especially in the “new neighborhoods.”

Many of the city’s neighborhoods are changing rapidly, and others will change rapidly in the future. The city must strategically manage neighborhood change to preserve the character of stable neighborhoods and make blighted ones more attractive and livable. It should encourage higher-density development along major transportation corridors and around subway stations of the Washington Metropolitan Area Transit Authority. It should create transition zones between higher-density and lower-density areas where feasible. And it should work to create mixed-income neighborhoods in the “new neighborhoods,” which are now being planned for large development parcels of government-owned land.

3.1 Housing programs should be an important part—but only one part--of the city’s overall strategy to reduce and deconcentrate poverty and revitalize neighborhoods.

As it was charged to do, the task force has focused on housing strategy. However, we cannot overemphasize that housing policy must be well coordinated with other city government efforts to create opportunities for its low-income citizens to move into the middle class. The spatial concentration of poor households is more extreme in the capital than in most other cities, and, unlike most other cities, concentrated poverty increased in the District of Columbia in the 1990s. The government must coordinate its housing policy with its other efforts to enable its low-income citizens to enter the middle class. This involves quickly improving the performance of public schools, augmenting the capital’s employment and skills development programs through industry links and career advancement initiatives, and better orienting services such as daycare, after-school, and

transportation programs in support of low-income working families. The presence of good quality schools is the single most important factor in attracting and retaining families with children at the neighborhood level. Progress toward excellent schools is essential.

3.2 The city should choose existing neighborhoods with potential for sustained improvement and coordinate its investments in them, targeting a limited number of neighborhoods at a time.

The point of targeting is to use public money effectively to make a visible difference and attract private and non-profit partners in revitalizing the neighborhood. Since large-scale, mixed-income housing developments require considerable public and private investment in land, buildings, and infrastructure, it is wise to leverage these investments with complementary support for schools, jobs, and other services in neighborhoods with available land, transportation, and other needed amenities. Under this strategy, development of new schools, libraries, recreations centers, and other facilities needed to support new housing would benefit from coordinated planning and, where possible, sharing facilities. The mayor's targeted Strategic Neighborhood Investment [Program](#) should be reassessed and reinvigorated.

Deleted: Program should

3.3 The District of Columbia should continue its successful efforts to transform distressed public and assisted housing projects into viable mixed-income neighborhoods, using federal public housing HOPE VI, capital and modernization funding, CDBG dollars, and its own resources.

The New Communities initiative is a promising example of a city-led partnership that reduces crime, improves neighborhood schools, health services, and economic opportunities for public and assisted housing residents, and attracts new residential and commercial investment to the neighborhood.

3.4 The development of the large parcels of public land (for example, the Anacostia Waterfront Initiative) into "new neighborhoods" should provide housing affordable to all income levels and types of households.

Moreover, it is essential that these “new neighborhoods” include well-planned convenience retail, high-performing public schools, attractive parks and recreation for all, as well as needed supportive services, job and asset-building opportunities for low-income residents.

Recommendation 4: The government of the District of Columbia should integrate housing for persons with special needs into all types of housing in neighborhoods throughout the city.

Among Washington’s residents are people with special needs who require targeted and tailored help finding, paying for, and maintaining affordable housing. These include homeless people, seniors, people with physical disabilities, people living with HIV-AIDS, people with mental illness, adults reentering from correctional facilities, and youth being discharged from foster care and from the juvenile justice system. Except for persons with physical disabilities, however, most of these people do not need any special kind of housing. Rather they simply need affordable housing and the services that will help them lead more normal lives in the community. The task force believes they should be integrated into neighborhoods in all parts of the city rather than segregated in special facilities in already distressed neighborhoods. Strategies for doing this include using alternative sources for rent subsidies targeted to specific special needs populations, encouraging interagency collaboration among housing agencies and other agencies that service people with special needs, and concentrating on building up the supply of permanent affordable and permanent supportive housing rather than concentrating resources on short-term housing options. In order for these efforts to be effective, the city must take leadership in addressing “not in my backyard” issues. Funding for all these objectives must be mobilized from multiple sources, federal and local. These are specified as follows.

4.1 The city government should concentrate on permanent housing solutions for special-needs populations rather than building up short-term housing infrastructure.

In the meantime, however, the city government must ensure that adequate short-term options exist, including shelter and transitional housing, end-of-life care for seniors, housing for people living with HIV/AIDS, harm-reduction units for substance abusers, detoxification beds and residential treatment facilities, halfway houses and group homes for returning offenders, and assisted-living end-of-life care for seniors.

4.2 The city should coordinate housing and services funding in a way that supports special-needs populations in housing.

People with special needs require services. Mentally ill people need treatment, youth need education, and people returning from prison need employment assistance. If they receive quality services, their housing subsidy requirements go down – either because they have higher incomes or because they only need temporary subsidies. If they do not receive such services, they will need longer-term, higher-cost subsidies. Personnel in shelters, senior housing and mental health facilities should be trained how to interact and communicate with non-English speaking clientele.

4.3 The city should follow the recommendations outlined in the mayor's report:

“Homeless No More: A Strategy for Ending Homelessness in Washington, DC by 2014.”

Most especially, the city should provide 2000 permanent supportive housing units for the chronically homeless and 4000 units of housing for households below 20 percent of AMI and who are, or are at risk of becoming, homeless.

4.4 The District of Columbia's Department of Mental Health and the city's housing agencies should form an interagency task force to better coordinate services and housing financing.

The city must take steps to improve coordination of services and housing financing, prevent the eviction of people with mental illness from publicly financed housing, and ensure that mentally ill people's housing is maintained if and when they need to be hospitalized. In addition, the Department of Mental Health should expand its program of investing in housing for homeless and mentally ill residents.

4.5 The city should locate multifamily senior housing in neighborhoods with high proportions of senior-owned single family housing to foster turnover of single-family stock.

Counseling on reverse equity mortgages and predatory lending should be made available to seniors who own their own homes.

4.6. The Department of Corrections should experiment with additional short-term rent subsidies for returning offenders and assess effects on recidivism.

The District of Columbia should also take steps to create adequate housing plans for people exiting jail or prison so that they do not become homeless. The city should remove all barriers to reentering offenders living in public housing, other than those required by federal law, in order to keep families together. In this connection, as in others, the city should have a zero-tolerance policy toward anyone who disregards the law.

4.7 The child and family services agency should experiment with additional short-term rent subsidies for youth leaving foster care and expand independent living programs that include rent subsidy.

The department should also identify intermediaries who can negotiate with landlords, sign leases, and provide 24/7 services to youth living independently in order to increase the housing stability of youth leaving public systems of care. The city should engage in discharge planning so that youth leaving foster care have a plan for stable housing before they exit the system.

4.8 To address the needs of persons with physical disabilities and prepare for the rapidly increasing proportion of Washington, D. C., residents over 70 years of age, 8 percent of all units in the capital should be accessible to people with physical disabilities.

These units should be spread evenly across affordability brackets. The city should include accessibility design requirements in their building code. In addition, the city should create financial incentives for landlords to retrofit units to make them accessible and estimate the cost of and create financial incentives for developers to build units that are assessable. The Department of Housing and Community Development should expand

and better publicize its program that offers loans to low-income households who need to retrofit homes for disabled family members. Finally, there should be a registry of affordable, accessible housing in the District of Columbia.

4.9 The city should never allow hospitals, foster care, jail, and prisons to discharge people into homeless shelters.

Recommendation 5: Washington’s government should increase its capacity to facilitate subsidized and market-rate housing production and renovation and to manage housing programs efficiently.

Although progress has been made, many serious barriers impede housing construction and renovation in the District of Columbia. Slow and cumbersome bureaucratic procedures make it unnecessarily difficult and expensive for developers—nonprofit and for-profit alike—to complete projects on time. Fear of encountering these barriers keeps some developers from undertaking projects in the capital at all.

5.1 An important first step is to provide the critical regulatory agencies that now pose significant barriers to production with the necessary resources to enable developers to respond to market demand. In particular, the mayor, city administrator, and city council should strongly support the new Department of Consumer and Regulatory Affairs (DCRA) director in his efforts to substantially improve the performance of his agency. DCRA’s plan review, permitting an inspection system for housing development, requires wholesale reform. Major investments in staff development, improved management, and information technology are necessary. Other entities involved in approving development proposals – District Department of Transportation, the Health Department, District of Columbia Water and Sewer Authority, Washington Gas, and PEPCO (the electric utility company) – must be required to streamline and accelerate their review processes.

- 5.2 *The District of Columbia should also seek to better coordinate and streamline actions among the agencies that principally affect housing production.* The mayor should designate a member of the cabinet as the “chief of housing” to serve as the single point of accountability charged with coordinating and implementing the city’s entire housing policy. To be effective, the independent city housing and development agencies (DC Housing Authority, DC Housing Finance Authority, NCRC) should be required to coordinate their activities through the office of the chief of housing.
- 5.3 *These public agencies should be much more proactive in their outreach to and coordination with nonprofit partners to enhance production of affordable housing, especially for people with special needs.*
- 5.4 *Data regarding housing production, rehabilitation, affordability, and availability are scattered among various agencies and are often incomplete or out of date.* A centralized, high-quality data bank would allow developers and policy makers to make better-informed choices regarding investment and development.
- 5.5 *Washington’s government should consider updating and modernizing its housing code, especially in the area of “smart housing rehabilitation codes,” as well as the possible use of a “form-based code” that would focus more on health, safety, and community quality-of-life results and less on the technologies for achieving those results. In addition, a major revision to the Zoning Regulations should be pursued. The existing regulations have not been comprehensively updated since 1958.*
- 5.6 *The government should consider instituting a “site plan review process,” the purpose of which would be to bring all relevant agencies and utility companies to the table to go over proposed developments before the formal plan-review process is triggered so that issues and problems are identified at the very beginning of the process. Implementing such a process would require strong leadership from the*

Mayor's Office to hold agency heads accountable for its success, or such an approach would inevitably wither.

5.7 Consideration should be given to whether a modified, simpler PUD process might be workable in the Office of Planning for smaller projects where what is being sought for the project is relatively routine or already in place in other buildings in the same area of the city.

5.8 City agencies that deal with housing should be culturally and linguistically competent and accessible to people with physical disabilities.

District services and information should be promoted and available in English, Spanish, Chinese, Korean, and any other languages designated by the Mayor.

Personnel in shelters, senior housing and mental health facilities must be trained to interact with the non English-speaking population

5.9 Relevant city government employees should be well versed in and dedicated to the application of Fair Housing Act policies. The District of Columbia should undertake a strict Fair Housing Act education program for all relevant public officials to ensure they are familiar with the act and their responsibilities in its enforcement. The city should better educate the public about the precepts of the Fair Housing Act for all protected classes. These activities will significantly reduce the enormous amount of resources and time wasted by people unaware of these laws.

Recommendation 6: Since housing programs alone cannot create a livable, inclusive city, all District of Columbia government departments should work effectively to attract and retain residents, especially families with children, by improving schools, public safety, transportation, air and water quality, and city amenities.

6.1 Capital and operating expenditures for transportation, infrastructure, parks, public safety, and other amenities should reflect neighborhood development priorities.

Public facilities, including human services agencies, must be sited and planned to

reinforce neighborhoods. Budgeting and planning for the District of Columbia Public Schools should be aligned with neighborhood development and revitalization goals. Public safety policies, including community policing, should seek to reinforce neighborhoods.

- 6.2 *A number of under-utilized funding streams could be redirected and coordinated to better reinforce neighborhood development* such as the neighborhood planning work and funding programs at the Department of Housing and Community Development, Office of Planning, and the Home Again Program. Additionally, dedicated, multi-year funding streams should be considered for the Strategic Neighborhood Investment Program to catalyze consistent neighborhood revitalization efforts across agencies.
- 6.3 *Washington's government should persuade the District of Columbia Public Schools, local institutions of higher education, and major area employers to work collaboratively to improve adult literacy, stimulate education-to-work initiatives, and encourage workforce-employment programming.*
- 6.4 *Persistent housing code violations should be addressed through negotiated sales to nonprofits or by putting properties in receivership and housing court, tenants' rights education programs, and relocation options.*
- 6.5 *Appropriate neighborhood scale retail should be encouraged through zoning changes, financial incentives, marketing, and recruitment efforts.*